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other people may consider evil for them. Then there are those actions of no moral dignity in themselves which some people, however, feel are of moral dignity; and, finally, there are those actions innocent enough in themselves which under certain circumstances may become evil. Out of this complex arise a large number of those conflicts which give rise to the madness of which the learned psychiatrist complains in the quotation with which this article begins.

Thus the problem of individual human behavior, in the light of the possible effect such behavior may have upon another, is both somewhat intricate and difficult of solution; but, as Dr. Paton suggests, it is something to know that there is a problem. Some one has said that history is philosophy teaching by example. It is so with life. Every man teaches philosophy to his acquaintances, none the less important even if it is unconsciously done. In "Each and All" Emerson expresses the thought:

"Nor knowest thou what argument
Thy life to thy neighbor's creed hath lent.
All are needed by each one;
Nothing is fair or good alone."

Thus there are incentives enough to cease the living habitually in petty irritation over the little faults in others, to stop striving narrowly and meanly for mere pleasure among the things narrow and mean. Enjoyment, of course enjoyment; but there can be no enjoyment for him who can ignore the miraculous sweep of Beauty as she opens up the glories of dawn, paints with Venetian pageants the recurring eventides, or throws her sublime stars across the mystic night.

Rational individual behavior is only that philanthropic way of living which, conforming as far as possible to generally recognized standards, enables men to hear and to understand the seer and hero from out the realms of books, to see clearly down the fair vistas in the genuine halls of art, to welcome "high behavior in man or maid" around him daily, to love nobly, and to face the future with a creative zest.

The war has taught anew that common sense demands a thrifty prudential concern for the materials of life; but there is also an uncommon sense clearly important, which concerns itself with the genuine enduring things which mold and control the materials. It is there where dwells the life of the spirit that lies the perfected behavior, because it is only there that men find the true, worthy, ultimate forces that overcome death with life.

Thus there is no enduring solution of the problems affecting human behavior which does not start from within. Just as men see on the panorama ever passing through and before them only that which they already have within them to see with, so their influence upon others will be measured not so much by what they try to accomplish in that regard as by just what they really are at the time in sincerity and in truth. The life humbly in process of continuous enrichment is the only life of any enduring influence for good.

Out of some such spirit, in spite of the war, despairing human beings may take up their tasks again, obtain their essential food and clothes and shelter, rear their serviceable creations, and ward off that madness which threatens liberty.

UNFAIR COMPETITION IN INTERNATIONAL TRADE AND COMMERCE

By HON. HUSTON THOMPSON, FEDERAL TRADE COMMISSIONER

AS THE world began to fight its way out of the miasma produced by the war, it discovered that monopoly was occupying the seats of the mighty and trying to justify its right to them. Reports from the legislative halls and the declarations in the trade journals of the nations demonstrate this.

Great Britain, aroused, has had a preliminary investigation and is now considering the creation of a body similar to our Federal Trade Commission. They are debating the passage of an act in the Danish Parliament to create a body with powers to meet this octopus. Our neighbor, Canada, set the machinery of its Board of Commerce, an agency similar to our Federal Trade Commission, in motion July 7, 1919. Australia has also taken unto itself a commission. We hear through the press that the Argentine is devising ways and means to throttle this barnacle.

It is but natural that monopoly should have slipped in during the war. When nations are attacked by those which have enthroned monopoly the defender must assume a similar artificial state and standardize itself as a single unit. But since war is unnatural and peace the natural state, just so the monopolistic tendency of the unnatural state must now undergo a major operation and competition must be restored.

As the noise of battle receded we heard the mellifluous tones of those who argued for the benefits springing from the unification of competitors. The governmental control that compelled the shoe manufacturers to eliminate two-thirds of the several hundred styles of shoes during war times, or contemplated cutting down the styles of safety razors and lawn-mowers to a single product in a given class, secured a saving that the national peril demanded. The autocratic power of war did that. Would we stay the hand or check the brain of an industry in such a way in peace times when education in the industry and competition could accomplish the same result? It is ever the desire of monopoly when it is in the perfect flower to remain in *statu quo*. Then it cries aloud for a parental form of government under whose wings it can hide. Just now the voice of those seeking parental protection is very articulate.

Evolution of Fair Play in American Business Life

The American business man is human. He is a good sportsman and seeks nothing more than a fair field. There are, however, Philistines in every industry, and when in the stress of the competitive game our sportsman found the Philistine using backstair methods he sometimes thought, if he would survive, he must adopt the same methods. When the heavy hand of the Federal Trade Commission, a new and unknown institution of the Government, threw a lyddite shell in the form of a complaint into an industry at the instigation of some competitor who was going down for the third time, there was immediate resentment. The universal defense was that "everybody is doing it." There surged up and

down the country through the press a continuous attack against this arm of the Government.

When, however, the respondent is given an opportunity by the law to file his answer and the case is tried out and dismissed, or where the little competitor, and oftentimes the big one, is saved by an order of the Commission compelling the wrongdoer to cease from his practices, the attack tends somewhat to diminish.

When it is found that no favorites are played, the good sportsman in the business world rapidly faces about and welcomes the Commission in its position of umpiring competition.

Would you doubt it? Let us lift the curtain and reveal a scene which the American business man 10 years ago would have said was impossible. The place is a bustling western city. There are gathered together 120 representatives of an industry awaiting a call from one of our commissioners. He has summoned them in response to a score of complaints made by men of the industry. Men in the room had both complained to the Commission and been complained of for the same practices. The Commissioner enters and closes the door. He informs those present that from the investigation of the Commission there seems to be a general malady in the trade through unfair methods of competition; that aside from breaking the law these practices will mean ruin to some, injury to all, and suffering to the public, which pays all the bills for all waste. He states to them that he will make no promises as to what the Commission will do in regard to the applications for relief now before it, but suggests that they write out a list of the unfair practices which are known to have been committed in their industry without charging any person as guilty of such. He is met in the true spirit of business sportsmanship, and when he returns after a recess there is submitted to him a list of unfair practices. A majority of the 120 present vote that there are 14 current and rather general unfair practices in their industry. Of their own volition the members individually pledge themselves to refrain from them. The Commission, in turn, receives the schedule as the industry's "trade practice submittal list" of its unfair practices, and accepts it for its own information and guidance.

It is obvious, then, that in controlling its own exporters in foreign countries the United States is protecting the citizens of the foreign countries from any practices such as would be prohibited within our borders and is giving the citizens of foreign countries indirectly benefits that come through the umpiring by the Commission of domestic business.

It will be a great day for America when our export trade stamps upon all goods sent to your countries the words "Made in U. S. A." If American industry domestically can rise to the spirit of fair play, as it does when it openly declares to the Federal Trade Commission the wrong practices which it pledges itself to eliminate, it can certainly, in the fullness of national pride, supervise its exports in such a vigilant way that, having once stamped them with the words "Made in U. S. A.," it will never allow that to go from our shores of which it would be ashamed. "Made in U. S. A." would arouse the *esprit de corps* of American business to watching its exports with an eye jealous of the least imperfection.

An International Trade Commission

After each nation has its own National Trade Commission to follow its competing exporters, there is a final step to be taken before the world's consumers can have the complete benefits of the law of supply and demand. The Commission has already had complaints against speculators selling below sample in your countries. When it finds that they have injured a United States competitor by first of all bidding below cost and then substituting an article below sample, it can compel the offenders to cease. But if they are of the speculative type, whose good name amounts to nothing, and who will shift to another business or seek the trade of another country when stopped by an order of the trade commission, they have nevertheless damaged their United States competitors, injured the purchaser, and hurt the fair name of the United States before the Commission's remedy can be put into effect. Again, the exporters of two nations may contest for trade through some unfair practice. There is yet another difficulty—that of dealing with those who seek a world monopoly and who can injure, not only the consumers in their own country, but those in foreign countries. How shall we meet this situation except by an International Trade Commission?

Some time ago I suggested a tentative plan for such a commission and invited criticism of it. The idea came from seeing how the control of unfair practices and monopoly is yeasting in the minds of officials of many of our great nations. I then tried to picture an International Trade Commission assembled at some capital city to consider complaints between competitors of different nations. It was suggested that a rule could be made requiring the complaints to come through the National Trade Commissions, or commercial departments of the several nations represented. In order that there might be no charge of discrimination, the cause could be tried before representatives of the international body not belonging to either one of the nations whose citizens were litigating.

The definition of what was an unfair trade practice before this Commission could be found in the trade practices already condemned by the laws of many nations, both ancient and modern, the rulings of the respective trade commissions, the "trade practice submittal lists," such as our Commission has already received from some of our industries, the pronouncements of political economists, and, above all, in the common sense of those before whom the case was presented after investigation and hearing. The international commission could publish its findings and either dismiss the complaint, if the charges were groundless, or render its verdict if the complaint was well founded. The conclusion, together with the findings, could then be transmitted to the trade commission, or other proper representatives, of nations composing the international commission. In the universal publicity of the findings of such a body would lie the corrective. The means for universal publicity are on the eve of great advance, should the efforts of the President, under the recent law enacted by Congress, authorizing him to summon an international conference to consider all the international aspects of communication by electricity, bring about adequate facilities for international communication on a fair and equitable

basis. There is every reason to believe that this movement will result in success. It will mean direct contact of the heart beats of one nation with those of another and not the passing of thoughts through the medium of those who might be indifferent or have a sinister motive toward the sender or receiver. It will undoubtedly cause a reduction in the cost of messages, and where your papers and ours have carried stories about the doings of each other once a week or so we will be in daily touch.

I have since been asked who would police the committing of the offenses. The answer is the same as in our domestic business—by the competitor. Is there not every reason to believe that under the inspiration of the respective National Trade Commissions the industries in each nation would write their own "trade practice submittal list" of unfair practices just as they are doing in this country.

I have also been asked if some of the larger nations would not intervene in behalf of one of their citizens where complaint was made by a citizen of a smaller nation. This, I think, is inconceivable, for the publicity of the proceedings, if nothing else, would prevent it.

It has been pointed out that such a plan depends too much on the trust in the altruism of human beings in

the mass. Has there not already been an "International Union for the Protection of Industrial Property," to which three of the Latin American countries and the United States are signatories? Article 10 of this agreement says: "All the contracting countries agree to assure to the members of the Union an effective protection against unfair competition."

Is there not inspiration to be gained from the Convention for Pan-American trade-mark protection—a measure adopted at the Fourth Pan-American Conference at Buenos Aires in 1910? It provided for the establishment of two international trade-mark registration bureaus—one comprising eleven republics of the North and Central Americas and the West Indies, with a bureau at Havana, and the other ten republics of the continent of South America, with a bureau at Rio de Janeiro. This trade relationship was conceived for the purpose of extending to merchants and manufacturers of the countries comprising the Pan-American Union a trade-mark protection through international bureaus. Through them all records are to be entered officially and will be exchanged for the mutual co-operation and protection of industrial and commercial property.

INTERNATIONAL CAUSES AND REMEDIES FOR HIGH PRICES

By OBED CALVIN BILLMAN

AMONG existing causes of popular and world-wide discontent, none is more prominent than the prevalent high cost of living, now so manifest in the form of high and constantly advancing prices. This upward movement of prices will continue, and consequently this discontent and social unrest is destined to grow in force and fury, unless the situation is carefully analyzed and properly dealt with. That the advance in prices is general the world over, and therefore not alone chargeable to trusts, middlemen's associations, profiteering, or other local conditions, is evident from consular and other reliable reports from abroad.

Prices are affected by the rapidity with which money circulates. They are affected by the use of supplementary devices, such as bank checks. They are affected by competition and the per capita production of the soil. They are affected by faith, hope, and charity in the realms of speculation and enterprise; but mastering all these factors of prices are the actual amount of gold coin and bullion in sight and the amount in annual output of the mines.

It is believed that for reasons herein indicated the leading nations of the world should be drawn together in conference for the careful consideration and establishment of a stable international standard of value and other appropriate remedies for restoring and maintaining a proper equilibrium in all international relations.

The primary causes of the increasing cost of living, the logical remedies therefor, and the proper methods of applying these remedies are outlined on the opposite page.

The Master Cause, the Increasing Production of Gold

The primary or master cause of the high and *increasing cost of living throughout the world* is the depreciating purchase power of money through the world's enormous and constantly increasing production of gold. In 1900 the world's production was \$254,556,000. In 1916, \$457,006,045, or almost double what it was in 1900.

The weight of the gold dollar remains unchanged, but its value, or purchasing power, does not. It is generally recognized that as the production of gold increased the value of gold must necessarily decrease; but as gold is the standard of value, its depreciation is displayed in its decreasing purchasing power, or, in other words, in a constant appreciation of the things which the standard coins will buy. During the last fifteen years, although the gold dollar has remained the same in size, its purchasing power has fallen during this period to perhaps two-thirds of its former purchasing value. This depreciation in the value of the respective standards of value, or this shrinkage in what Prof. Irving Fisher, of Yale University, terms the "monetary yardstick," has injured all those who have received a fixed number of dollars, such as wage-earners, salaried men, savings-bank depositors, and the like.

As a remedy, reference is here made and indorsement given to Professor Fisher's plan for an "international standard of value," to be fixed and regulated by an international monetary commission. As a method of carrying the proposed remedy into effect, I cannot do better than to quote the words of Professor Fisher relative to his plan: